

had fallen to \$65,613,995, and of this amount \$15,832,840<sup>1</sup> was in gold. By June, 1906, total cash holdings had recovered to \$72,231,513, and of this amount \$42,381,837 was in gold and only \$29,849,676 in silver. Exports of silver from Mexico for the sixteen months ending with October, 1906, were \$55,608,823, and the coinage of gold was \$51,-606,500.<sup>1</sup> The fear spread that the country would be denuded of the stock of subsidiary silver necessary to do business, and in the autumn of 1906 an export tax of ten per cent, was imposed upon the amount of silver coins sent abroad without the importation of an equivalent amount of gold.<sup>a</sup>

Fortunately the new monetary law, while leaving the old silver peso unchanged at 27.03 grams, provided for subsidiary silver coins both lighter in weight in proportion to their legal value (25 grams to the peso) and with a fineness of eight-tenths in pure silver instead of 0.902.<sup>3</sup> This precluded the profit which was found with the old pesos in exporting them for sale in the London silver market. The policy pursued by the government, therefore, was to refrain entirely from the coinage of pesos and to endeavor to fill the channels of circulation with gold, bank paper, and subsidiary silver. To this end, in December, 1905, the issue of gold certificates was authorized against deposits of bar gold and foreign gold coin. Every effort was made also to increase the coinage of subsidiary silver, until at the end of November, 1907, the amount coined in about two years and a half in pieces of 50 centavos was \$26,186,619 and in smaller pieces \$5,499,923.<sup>4</sup> It was calculated that the total exportation of Mexican silver coin since May 1, 1905, had reached in October, 1907, the sum of \$85,956,202,<sup>6</sup> but this had been offset to the amount of about \$75,000,000 by the coinage

<sup>1</sup> Financial Documents, December, 1906, 7.

<sup>2</sup> Bulletin de Statistique, January, 1907, LXL, 120.

<sup>3</sup> Decree of March 25, 1905, Bulletin de Statistique, May, 1905, LVIL, 560.

<sup>4</sup> Financial Documents, December, 1907, 17.

<sup>5</sup> Le Marche Financier en 1907-08, 711.